

JULY 17, 1989

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON JULY 17, 1989, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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MINERAL LEASE APPLICATIONS

METALLIFEROUS MINERAL LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Mansfield, the Director approved the Metalliferous Minerals lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The application has been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date is August 1, 1999.

Min. Lease Appl. No. 44438	<u>T10S, R7W, SLB&amp;M.</u>	Tooele
Jimmie &/or Lesa Porter	Sec. 32: Lot 4	37.35 acres
P. O. Box 15		
Hinckley, UT 84635		

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TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Lease listed below to Anadarko Petroleum Corporation, P.O. Box 5050, Denver, CO 80217-5050, by Vern Jones. No override.

LEASE OWNERSHIP: VERN JONES

....ML 44298....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Leases listed below to Chevron U.S.A. Inc., P.O. Box 5050, San Ramon, CA 94583-0905, by J. Robert Outerbridge. No override.

LEASE OWNERSHIP: J. ROBERT OUTERBRIDGE

....ML 43845....ML 43846....

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TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Lease listed below to NGC Energy Company, Two Corporate Centre, 1390 Willow Pass Road, Suite 940, Concord, CA 94520, by Natural Gas Corporation of California. No override, but subject to 3% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: NATURAL GAS CORPORATION OF CALIFORNIA

....ML 22313-2....

INTEREST ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% interest in and to the Oil, Gas, and Hydrocarbon Leases listed below to BP Exploration Inc., P.O. Box 4587, 5151 San Felipe, Houston, TX 77210, by Corbin J. Robertson. No override, but subject to 1% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CORBIN J. ROBERTSON

....ML 44211....ML 44214....ML 44215....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% interest in and to the Oil, Gas, and Hydrocarbon Lease listed below to Santa Fe Energy Operating Partners, L.P., One Security Park, 7200 I-40 West, Amarillo, TX 71906, by Corbin J. Robertson, and Sohio Petroleum Company. No override.

LEASE OWNERSHIP: CORBIN J. ROBERTSON--50, AND  
SOHIO PETROLEUM COMPANY--50%

....ML 41311....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% interest in and to the Oil, Gas, and Hydrocarbon Lease listed below to Santa Fe Energy Operating Partners, L.P., One Security Park, 7200 I-40 West, Amarillo, TX 71906, by Corbin J. Robertson. No override, but subject to 4% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CORBIN J. ROBERTSON

....ML 43459....

INTEREST ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% of 50% or 25% interest in and to the Oil, Gas, and Hydrocarbon Lease listed below to BP Exploration Inc., 5151 San Felipe, P.O. Box 4587, Houston, TX 77210, by Corbin J. Robertson. No override, but subject to 4% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CORBIN J. ROBERTSON--50%, AND  
SANTA FE ENERGY OPERATING PARTNERS, L.P.--50%

....ML 43459....

OPERATING RIGHTS ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 65% interest in operating rights from the surface of the earth down to 100 feet below the stratigraphic equivalent of 8100 feet as encountered in the No. 1-32 Hill Creek State Well located in the SE[NW] of Sec. 32, T10S, R20E, SLB&M., in and to the Oil, Gas, and Hydrocarbon Lease listed below to Santa Fe Energy Company, Suite 2600 Security Life Building, Denver, CO 80202-4330, by Natural Gas Corporation of California. No override, but subject to 9.25% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: NATURAL GAS CORPORATION OF CALIFORNIA

....ML 22313-2....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 35% interest in operating rights from the surface of the earth down to 100 feet below the stratigraphic equivalent of 8100 feet as encountered in the No. 1-32 Hill Creek State Well located in the SE[NW] of Sec. 32, T10S, R20E, SLB&M., in and to the Oil, Gas, and Hydrocarbon Lease listed below to NGC Energy Company, Two Corporate Centre, 1390 Willow Pass Road, Suite 940, Concord, CA 94520, by Natural Gas Corporation of California. No override, but subject to 3% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: NATURAL GAS CORPORATION OF CALIFORNIA  
OPERATING RIGHTS: From surface of earth down to 100 feet below stratigraphic equivalent of 8100 feet as encountered in the No. 1-32 Hill Creek State Well located in the SE[NW] of Sec. 32, T10S, R20E, SLB&M.  
SANTA FE ENERGY COMPANY--65%, AND  
NATURAL GAS CORP. OF CALIFORNIA--35%

....ML 22313-2....

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AMENDMENT TO CURRENT LEASE FORM, ML 3015 - INDUSTRIAL SANDS

The above numbered lease is, at this time, subject to readjustment. The lessee has agreed to amend the lease to the Division's current approved form. The amendment provides that the lessee pay \$1.00/acre annual rental plus \$3.00/acre annual minimum royalty. The production royalty is 5% of the market price of the first marketable product. This lease should expire May 1, 1999, without production of the leased substances.

Upon recommendation of Mr. Mansfield, the Director approved the amendment to the current lease form for ML 3015.

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SURFACE BUSINESS MATTERS

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GRAZING PERMITS

AMENDED GRAZING PERMIT - GP 22577 (Deletion of Acres)

Red Butte Ranch, c/o Jeff W. Thomas, Grouse Creek, UT 84313 has requested that the following described land be deleted from GP 22577:

T12N, R18W, SLB&M                      Box Elder County  
Sec. 3: S2SW4, SW4SE4  
Sec. 4: NW4NW4, S2NW4, NE4SW4, NW4SE4, SE4SE4, SW4NE4  
Sec. 5: N2NE4, SW4NW4

T13N, R18W, SLB&M  
Sec. 30: SE4SE4  
Sec. 31: SW4NE4, E2NE4  
Sec. 32: All

Red Butte Ranch is deleting this land from its grazing permit so that this land can go into Grazing Permit No. 22744 being applied for by Sam Blathorn. Total acres deleted is 1,277.84. The new acreage for this permit will be 3,318.18 acres equaling 522 AUM's @ \$1.86/AUM equaling \$970.92, plus a six percent late fee equaling \$58.26 totaling \$1,029.18; plus a \$0.05/AUM weed control fee equaling \$26.18 plus the six percent late fee equaling \$1.56 for a total weed control fee of \$27.66. Red Butte Ranch paid a total of \$1,354.49 towards grazing fees, and late fees on grazing; plus \$36.41 towards weed control and late fee on weed control. Total fees paid covered the original grazing permit and the total 687 AUM's for the 1989-90 grazing season.

The additional fees are to be transferred to cover the 1,277.84 and 165 AUM's deleted from this permit and to be issued in a new Grazing Permit Application No. 22744 to Sam Blathorn. The \$20.00 grazing permit fee was submitted.

Upon recommendation of Mr. Wall, Mr. Klason approved the amendment of GP 22577.

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GRAZING PERMITS

GRAZING PERMIT APPLICATION

GP 22744  
SAM BLATHORN  
STAR RT  
GROUSE CREEK UT 84313

1277.84 Acres \$ .00 per annum \$20.00 application fee 10.00 Years

County(s) Box Elder

5/01/89 Beginning Date

T 12 N, R 18 W, SLB&M

SEC. 3: S2SW4, SW4SE4

SEC. 4: NW4NW4, S2NW4, NE4SW4, NW4SE4, SE4SE4, SW4NE4

SEC. 5: N2NE4, NW4NW4

T 13 N, R 18 W, SLB&M

SEC. 30: SE4SE4

SEC. 31: SW4NE4, E2NE4

SEC. 32: All

Upon recommendation of Mr. Wilcox, Mr. Klason approved GP 22744.

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GRAZING PERMITS

REINSTATEMENT OF GRAZING PERMIT NO. 20158

Melanie Englestead has requested that the above numbered grazing permit in the name of Earl Englestead & Sons, P.O. Box 181 Hurricane, Utah 84737 be reinstated. All rentals, late fees, and reinstatement fees have been submitted.

Upon recommendation of Ms. Dodge, Mr. Klason approved the reinstatement of GP 20158.

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REINSTATEMENT OF GRAZING PERMIT NO. 22717

Dietmar Von Lentner, P.O. Box 1111, Hurricane, Utah 84737, has requested that the above numbered grazing permit be reinstated. All rentals, late fees, and reinstatement fees have been submitted.

Upon recommendation of Ms. Dodge, Mr. Klason approved the reinstatement of GP 22717.

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<u>INTEREST RATE</u>	<u>CURRENT YEAR</u>	<u>YEAR AGO</u>
Base Rate	11.00	9.50

*for*   
PATRICK D. SPURGIN, DIRECTOR  
DIVISION OF STATE LANDS/FORESTRY

  
LESLIE M. WARNER, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209

7/17/89

lw

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